Courts Administration Service

2007-2008

Departmental Performance Report

Honourable Rob Nicholson P.C., Q.C., M.P.
Minister of Justice and Attorney General of Canada

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SECTION I: OVERVIEW

Chief Administrator's Message

I am pleased to present the Performance Report of the Courts Administration Service ("the Service") for the period ending March 31, 2008.

The purpose of this report is to explain to Canadians how the achievements of the Service make a difference in their lives. It also reports on the status of commitments made in the *Report on Plans and Priorities* for 2007-2008.

During 2007-2008, the principal efforts of the Service centered around providing better service to Canadians, mostly through the increased use of technology facilitating access to the Courts and their processes. To that effect, new classes of proceedings were added to the Service's e-filing initiative, as were the filing of Income Tax and GST certificates from certain regional offices of the Canada Revenue Agency. The Service also focussed on several "e-projects" which form the basis of the creation of a common Case Management System which will better assist the Service, the Courts, and by extension the Canadian public.

People remain at the heart of the Service's vision. During 2007-2008, particular emphasis was placed on training and the creation of learning plans for employees. In addition, anti-harassment workshops were offered to employees across the country, with a view to nurturing employee well-being. As with other departments, significant turnover in the Service's Human Resources Division hampered staffing activity and delayed the implementation of certain initiatives such as succession planning. The Human Resources Division, however, is now fully staffed and I am confident that our staff-centered initiatives will gain renewed impetus in 2008-2009 and in subsequent years.

As in previous years, I wish to express my sincere appreciation to the Chief Justices, Judges and Prothonotaries for their support, to the staff of the Service for their continued commitment to excellence in service delivery, and to public officials from several provinces and territories who provide support under existing arrangements.

Raymond P. Guenette

Management Representation Statement

I submit for tabling in Parliament, the 2007–08 Departmental Performance Report of the Courts Administration Service.

This document has been prepared based on the reporting principles contained in the *Guide for the Preparation of Part III of the 2007–08 Estimates: Reports on Plans and Priorities and Departmental Performance Reports*:

- It adheres to the specific reporting requirements outlined in the Treasury Board Secretariat guidance;
- It is based on the department's approved Strategic Outcome and Program Activity Architecture that were approved by the Treasury Board;
- It presents consistent, comprehensive, balanced and reliable information;
- It provides a basis of accountability for the results achieved with the resources and authorities entrusted to it; and
- It reports finances based on approved numbers from the Estimates and the Public Accounts of Canada.

Name: Raymond P. Guenette
Title: Chief Administrator

The Courts Administration Service

The Courts Administration Service was established on July 2, 2003 by the *Courts Administration Service Act*, S.C. 2002, c. 8. It is responsible for meeting the requirements of the Federal Court of Appeal, the Court Martial Appeal Court of Canada, the Federal Court and the Tax Court of Canada, and ensuring public access to those courts and to their records.

Mandate

The Courts Administration Service's mandate is to support the Federal Court of Appeal, the Federal Court, the Court Martial Appeal Court of Canada and the Tax Court of Canada; ensure effective access for the public to these Courts in both official languages; and account to Parliament through the Minister of Justice for the effective use of the resources provided.

Mission Statement

Our mission is to provide timely and accurate registry, judicial support and corporate services to the judiciary and to our clients in the most innovative and cost-effective manner, while promoting a healthy workplace and encouraging employees' ongoing contribution to service delivery improvement.

Vision Statement

The Courts Administration Service, a learning organization, is recognized as a national and international model of excellence in the administration of justice.

We are dedicated to providing single point service, in both official languages, through mutual respect and diversity, while enhancing judicial independence for the Federal Court of Appeal, the Federal Court, the Court Martial Appeal Court of Canada and the Tax Court of Canada.

Courts Administration Service

Program Activity Architecture 2007-2008

Department/Agency	**Courts Administration Service**		
Strategic Outcome	**The public has effective, timely and fair access, in either official language, to the litigation processes of the Federal Court of Appeal, the Federal Court, the Court Martial Appeal Court of Canada and the Tax Court of Canada.**		
Program Activity	1. Provide registry services	2. Provide judicial services	3. Provide corporate services
Program Sub-activity	1.1 Federal Court of Appeal and Court Martial Appeal Court of Canada Registry Operations	2.1 Executive Offices	3.1 Office of the Chief Administrator
	1.2 Federal Court Registry Operations	2.2 Judicial Assistants	3.2 Finance and Corporate Services
	1.3 Tax Court of Canada Registry Operations	2.3 Law Clerk Program	3.3 Chauffeurs and Court Attendants Services
	1.4 Quebec and Atlantic Region *	2.4 Library	3.4 Human Resources
	1.5 Ontario Region		3.5 Information Management (Records Management)
	1.6 Western Region **		3.6 Information Technology
			3.7 Best Practices & Modernization

* includes Nunavut Territory
** includes Yukon Territory and Northwest Territories

Note -This PAA was modified in March 2008 and further amendments are now planned for March 2009.

Summary Information

Department's Reason for Existence

The role of the Courts Administration Service is to provide registry, judicial and corporate services to four courts of law: the Federal Court of Appeal, the Federal Court, the Court Martial Appeal Court of Canada and the Tax Court of Canada. These services permit individuals, companies, organizations and the Government of Canada to submit disputes and other matters to the Courts, and enable the Courts to hear and resolve the cases before them fairly, without delay and as efficiently as possible.

Financial Resources (millions of dollars)

	2007–08	
Planned Spending	**Total Authorities**	**Actual Spending**
61.6	63.8	60.6

Human Resources

	2007-08	
Planned	**Actual**	**Difference**
650 FTE	594 FTE	56 FTE

FTE – Full Time equivalent

Departmental Priorities

Name	Type	Performance Status
Priority No. 1 Modernization of our business processes and registry services operations	ongoing	Successfully met
Priority No. 2 Implementation of a comprehensive, dynamic, and fully integrated work environment to support the delivery of our services to clients and the judiciary	ongoing	Successfully met

Program Activities by Strategic Outcome

(millions of dollars)	Expected Results	Performance Status	2007-2008 Planned Spending	2007-2008 Actual Spending	Contributes to the following priority
Strategic Outcome: The public has effective, timely and fair access, in either official language, to the litigation processes of the Federal Court of Appeal, the Federal Court, the Court Martial Appeal Court of Canada and the Tax Court of Canada.					
Registry Services	- Efficient CAS processes that provide timely access for Canadians to the registry and are responsive to the judiciary - A sustainable system of services to the courts that makes better use of technology, optimizes resources and ensures value for money spent - Records and information management that ensures the highest quality of information to users - Increased awareness and understanding of CAS and Courts by all stakeholders	Successfully met Successfully met Successfully met Successfully met	37.2	38	Priority No. 1 & No. 2
Judicial Services	- The maintenance of effective and efficient services in support of the courts - Better reporting on results and value for money to Canadians and Parliament - Improved employee well-being - Excellence and professionalism in our workforce	Successfully met Successfully met Successfully met Successfully met	20.6	22.6	Priority No. 1 & No. 2

Note – Expected Results have been modified in the Report on Plans and Priorities (RPP) 2008-2009.

Summary of Departmental Performance

The Service is entirely funded by parliamentary appropriations and it received 63.7 million dollars in 2007-2008. With actual expenditures of 60.6 million dollars, there was a surplus at year end of 3.1 million dollars, or approximately 5% of the total available funding. Most of this funding will be carried forward to 2008-2009 to deal with projects not completed in 2007-2008. It should be noted that one of the principal causes of the surplus is the continued difficulty in recruiting HR staff which in turn impacts the Service's overall recruitment ability. Recruitment and retention is a problem plaguing most governmental and non-governmental organizations.

In addition to appropriations used to run court operations, the Service also collects revenue through filing fees, fines and sales of copies of filed documents, including judgments and orders. The Service is not mandated to spend these revenues and they are deposited directly into the Consolidated Revenue Fund of Canada. In 2007-2008, these revenues accounted for 5.4 million dollars, a marked increase over 2006-2007 attributable to a large increase in fine revenue resulting from judicial decisions.

In fiscal year 2007-2008 the Service received approximately $900,000 in funds under the Public Service Modernization Act Special Investment Framework. Six initiatives to implement this act are under way and will be completed by March 2009. More information regarding these initiatives can be found in Section IV of this report.

Bill C-3, *an Act to amend the Immigration and Refugee Protection Act (certificate and special advocate)* came into force on February 22, 2008, and with it provisions relating to Special Advocates, whose role consists of protecting the interests of permanent residents or foreign nationals during *in camera* evidentiary hearings held in the context of the issuance of security certificates pursuant to that legislation.

Further to discussions with the Department of Justice during the course of 2007-2008, the Service agreed to provide certain forms of support to Special Advocates in the context of their review of classified material on the Service's premises. Broadly speaking, this support consists of access to facilities within which Special Advocates may consult classified materials, as well as the provision of some administrative and other support to facilitate the preparation of court documentation for hearings in which the Special Advocates are principal participants.

This type of cross-departmental arrangement represents a first for the Service, and the full effects of this initiative will only be realized in 2008-2009 and in subsequent years.

Following the recommendations expressed in the context of the Internal Audit Report on Human Resources Management 2003 to 2005, several policies and directives regarding the Service's internal management of HR practices were reviewed or created during the past year.

Last year, the Service hosted delegations from Ukraine and China. For many years, the Service has shared its expertise with other international judicial organizations and is recognized throughout the world as a leader in the area of registry services.

Priority 1:	**Modernization of our business processes and registry services operations.**

During 2007-2008, Judicial and Registry Services worked with Information Technology staff worked on the following four initiatives to improve client service and productivity, and to assist in the implementation of the new Court Management System (CMS): e-filing, e-scanning, digital recording and electronic distribution of judgments and orders. During the next few years, the Service's goal is to complete the development and implementation of the new CMS to allow for a uniform method of electronic reception, transmission, storage and retrieval of all court files for all four Courts.

Priority 2:	**Implementation of a comprehensive, dynamic and fully integrated work environment to support the delivery of our services to clients and the judiciary.**

In 2007-2008, the Service continued its efforts to form a single, highly skilled team to support the amalgamated registries of the four courts. Registry personnel, particularly new employees, received special training regarding the handling of documents and court procedures. This cross-training ensures that the public and the judiciary are well served at all of the Service's offices across Canada.

The consolidation of the staff in the National Capital Region (NCR) in fewer physical locations is still a priority for the Service given that staff is currently located in five separate locations in Ottawa. The relocation of almost a third of the Service's employees in this region is scheduled for fall 2008.

In 2007-2008, the Service received funds under the Public Service Modernization Act Special Investment Framework. The Service's Human Resources division undertook a project that consists of six initiatives to implement *Public Service Modernization Act* that will be completed by March 2009. (For more information, see Section IV – Other Items of Interest)

Towards the end of the year, a Management Accountability Framework (MAF) self-assessment was completed. This self-assessment exercise involved the Service's Senior Management Committee members and directors. Gaps and shortcomings were identified for inclusion in work plans. This exercise was key to sensitizing the managers

to the MAF and highlighting its importance for the organization's overall management approach and performance.

On February 22, 2008, Bill C-3, *an Act to amend the Immigration and Refugee Protection Act (certification and special advocate)* came into force, and following discussions with the Department of Justice, the Service agreed to allow access by the Special Advocates to its premises for the purpose of consulting court files. This required the reconfiguration of facilities and staff relocation.

During 2007-2008, the Learning Services of the Service offered a one-day Anti-Harassment Workshop to all employees and managers across Canada via the Joint Learning Program which is a partnership of the Public Service Alliance of Canada and the Canada Public Service Agency. An interim summary of the comments gathered during these workshops was presented to the Senior Management Committee members in June 2008. The final report will be presented in fall 2008 once all workshops in our Western offices are completed.

In order to enhance the professional development of the Service's personnel and improve service delivery, formal training and information sessions were provided to judicial, registry and operational staff, particularly to new employees, on a wide range of registry-related subjects. Increased opportunities were also given for exchanges or internships between the regional offices and headquarters.

Learning plans for more than 90% of the employees were completed by the end of March 2008.

Operating Environment

The Service continues to face certain ongoing financial pressures. For example, at the request of the Chief Justice of the Federal Court, four new Prothonotary positions were created for the Federal Court between 1999 and 2003. In addition, four new Deputy Judges have been appointed to the Federal Court since 2004. In December 2006, the Service did obtain temporary funding for those positions as well as their related support costs for the 2007-2008 fiscal year, but the funding must be requested year after year even though these requirements are ongoing. The Service will continue to work with the Treasury Board Secretariat and other partners on finding a permanent solution to these funding issues.

It should also be noted that over the years, the Service has absorbed certain additional expenses which have added to the financial stress on the organization. For example, it absorbed ongoing cuts pursuant to the Government's Expenditure Review that was conducted four years ago.

During 2007-2008, the Service has been working on key modernization initiatives to improve service delivery to the judiciary, to the legal profession and to the general public. These initiatives include the implementation of new technologies and in particular improvements to the case management system.

Context

Last year, the Service's Program Activity Architecture (PAA) has been reviewed and amendments were submitted to Treasury Board Secretariat for changes at the sub-activity level. The proposed PAA better reflects the organization. Also the Service's Performance Measurement Framework (PMF) was developed in collaboration with senior managers. The PMF will be used to gather the necessary data that will enable the Service to evaluate its performance in a more structured format. In order to do so, surveys will be developed and statistical information will be gathered.

For more than half of 2007-2008 the Service's Human Resources Division was significantly understaffed. Because of this situation hiring was delayed and competitions cancelled in some cases. This situation created significant stresses within the organization and in particular in Registry Services. With the help of the Public Service Commission and private consultants some of the most urgent staffing was undertaken but this situation impacted staff's morale and to a certain extent client service. The Human Resources Division (HR) is now fully staffed and normal staffing activities have resumed.

SECTION II: ANALYSIS OF PROGRAM ACTIVITIES BY STRATEGIC OUTCOME

Analysis by Program Activity

Strategic Outcome

The Service has one strategic outcome -

The public has effective, timely and fair access, in either official language, to the litigation processes of the Federal Court of Appeal, the Federal Court, the Court Martial Appeal Court of Canada and the Tax Court of Canada.

Program Activities supporting the Service's Priorities

A -Program Activity Name: Provide Registry Services

The Registry Services provide administrative support to the courts to ensure the proper and efficient operation of the litigation process.

Financial Resources

(Millions of dollars)

Planned Spending	Authorities	Actual Spending
39.7	41.4	38

Human Resources

Planned	Actual	Difference
418 FTE	385 FTE	33 FTE

FTE – Full time equivalent

A.1 - Registry Services to the four Courts

The Service provides Registry services to the four federal courts: the Federal Court of Appeal, the Federal Court, the Court Martial Appeal Court of Canada and the Tax Court of Canada. The Registry Services Branch provides all operational and registry functions necessary for the four courts to operate. The Branch also ensures public access to the courts and to court records nationally.

The Registry Services Branch has offices and staff in Ottawa, as well as in regional and local offices across the country: Vancouver, Calgary, Edmonton, Winnipeg, Toronto, Montreal, Québec City, Halifax and Fredericton. As well, the Service has a Memorandum of Understanding (MOU) in place with the government of Nunavut for the use of courtrooms in Iqaluit as well as for the reception of documents for the four courts. The Service also has MOUs in place for the use of courtrooms, and to assure basic registry functions for the Federal Court of Appeal and the Federal Court in St. John's (Newfoundland), Charlottetown, Saint-John (New Brunswick), Regina, Saskatoon, Yellowknife and Whitehorse.

The following are a few examples of specific functions carried out by Registry Services:

- providing judges and prothonotaries with direct support services before, during and after court hearings;
- supporting court processes before, during and after court hearings;
- providing litigants and their counsel with services relating to court hearings;
- informing litigants on rules of practice, court directives and procedures;
- maintaining court records;
- processing documents filed by or issued to litigants, such as court decisions, and recording all proceedings;
- serving as a depository to allow for the enforcement of decisions made by the courts and federal administrative tribunals, such as the Canada Industrial Relations Board and Canadian Human Rights Tribunal;
- assessment of bills of costs.

The inherent nature of Registry work is reactive as the Service has virtually no control over the number of cases filed each year in the four courts. This unpredictable environment requires Registry Services to adjust rapidly to new demands and to be fully aware of any upcoming legislative changes that could affect the future workload of the four courts.

A.2 - Registry Services workload

The following statistics illustrate the workload for Registry Services during the last fiscal year:

Proceedings Instituted or Filed

	FY 07/08	FY 06/07	FY 05/06
Federal Court of Appeal	616	695	699
Federal Court:			
General Proceedings and Immigration	7,460	8,286	9,712
Income Tax Act certificates	14,629	14,064	14,019
Goods and Services Tax certificates	7,848	7,614	6,972
Other instruments and certificates	491	391	225
Total	30,428	30,355	30,928
Court Martial Appeal Court of Canada	10	8	5
Tax Court of Canada	4,395	5,197	4,849
Total	35,449	36,255	36,481

Court Judgments, Orders and Directions processed by the Registry

	FY 07/08	FY 06/07	FY 05/06
Federal Court of Appeal	1,997	2,005	2,295
Federal Court	19,228	20,724	23,118
Court Martial Appeal Court of Canada	47	23	22
Tax Court of Canada	12,709	9,999	8,118
Total	33,981	32,751	33,553

Files prepared for hearing and heard in Court (does not include matters that were settled or discontinued prior to hearing)

	FY 07/08	FY 06/07	FY 05/06
Federal Court of Appeal	389	419	490
Federal Court	4,529	4,675	4,891
Court Martial Appeal Court of Canada	5	3	4
Tax Court of Canada	1,290	1,215	1,318
Total	6,213	6,312	6,703

Days in Court

	FY 07/08	FY 06/07	FY 05/06
Federal Court of Appeal	242	290	286
Federal Court	3,079	3,225	3,315
Court Martial Appeal Court of Canada	5	3	4
Tax Court of Canada*	2,159	2,218	2,378
Total	5,485	5,736	5,983

*** For Tax Court of Canada "Days in Court" is defined as the number of court sitting days scheduled**

Recorded Entries

	FY 07/08	FY 06/07	FY 05/06
Federal Court of Appeal	21,324	23,027	23,972
Federal Court	211,189	216,034	257,508
Court Martial Appeal Court of Canada	393	213	203
Tax Court of Canada	144,659	142,723	143,111
Total	377,565	381,997	424,794

Total Dispositions

	FY 07/08	FY 06/07	FY 05/06
Federal Court of Appeal	685	581	729
Federal Court :			
General Proceedings and Immigration	7,469	8,424	10,280
Income Tax Act certificates	n/a	n/a	n/a
Goods and Services Tax certificates	n/a	n/a	n/a
Other instruments and certificates	n/a	n/a	n/a
Total	7,469	8,424	10,280
Court Martial Appeal Court of Canada	8	4	6
Tax Court of Canada	4,410	5,140	4,785
Total	12,572	14,149	15,800

*for more detailed information on courts' workload please refer to the different Courts' websites

A.3 - Registry Services Training

Registry Services also performs an important activity that enhances staff's professional development and improves service delivery by providing formal training to all operational staff, and in particular to new employees, on a wide range of registry-related subjects. There are three full-time trainers who deliver 10 different modules to staff across the country, depending on needs identified by operational managers. The modules pertain to:

- *Admiralty (2 days)*
- *Client Service and Communications (1 ½ days)*
- *Courts Administration (1 day)*
- *Court Registrar – Federal Court of Appeal and Federal Court (3 days)*
- *Court Registrar – Tax Court of Canada (2 days)*
- *Court Usher - Federal Court of Appeal and Federal Court (1 ½ days)*
- *Immigration (1 ½ days)*
- *Jurisdiction of the Federal Courts (2 ½ days)*
- *Rules and Registry Procedures - Tax Court of Canada (3 days)*
- *Rules of the Federal Court of Appeal and Federal Court (2 ½ days)*

The following chart provides information on the courses delivered by Registry Services in 2007-2008:

	Number of courses	Number of days	Number of participants
April 1, 2007 to March 31, 2008	63	140	360

A.4 - Technology and Re-engineering in Case Management

During fiscal year 2007-2008, in its quest to continually improve service delivery to the judiciary, to the legal profession and to the general public, Registry Services has been working on key modernization initiatives. These initiatives include the implementation of new technologies and in particular improvements to the case management system. At the end of the fiscal year changes were brought to the governance structure of the modernization initiatives to ensure that solutions implemented are focused on improving client service.

The Service's stakeholders expect to be able to deal with the four Courts in the same manner as they do with other large public organizations that allow for electronic transmission/receipt of documents. However, the Service's current systems and technology are outdated: two completely different and very old case management systems are being maintained (one for the Federal Court of Appeal and Federal Court and one for the Tax Court) and these systems cannot be used to produce all the reports needed for use in management decision-making.

Although both systems have some e-filing capacity in that they provide the functionality of receiving, storing and retrieving electronic documents, the digital files received via the web for the Federal Court are not accessible through the Court's current Case Management System and the use of another application is necessary to access these files. As well, the Service is still printing most electronic documents it receives for storage in a paper court file. It is one of the Service's priorities to integrate all e-filed documents in the new integrated Case Management System (CMS) currently under development, to facilitate the retrieval of all electronic documents through one interface and ultimately to increase our use of e-filing and provide a more efficient and effective service to all of the Service's clients.

It is the Service's goal to complete the development of the new CMS within the next few years to allow for a uniform method of electronic reception, transmission, storage and retrieval of all court files for all four Courts.

The development of the new CMS was started in 2007-2008 using existing resources and building on improvements made to the server platform in the previous fiscal year. The development of the new CMS is led jointly by Registry Services and the IM/IT Branch and it is being conducted in different phases over a three year period pending availability of resources. Phase 1, which was conducted during 2007-2008, consisted of upgrading the two different systems that exist in the Federal Courts and in the Tax Court and implementing a new common software and hardware infrastructure. Phase 1 was completed and launched in May 2008.

Phase 2 is being developed in 2008-2009 and will allow the Service to receive and store electronic documents within the CMS. Other phases of the CMS will follow and involve modules dealing with document receipt, scheduling, issuance of judgments, automated generation of correspondence and statistics, among others. It is expected that electronic access to court documents will create many efficiencies within the Service but above all it will improve our client service and significantly improve access to the courts for all Canadians.

During 2007-2008 the Service's Registry Services and Information Technology staff worked on the following four separate initiatives to improve client service and productivity, and assist in the implementation of the new CMS: e-filing, e-scanning, digital recording and electronic distribution of judgments and orders. The details of these initiatives are as follows:

A.4.1 *E-filing:*

In May 2007, the e-filing initiative was expanded to add Federal Court immigration and admiralty cases. This was in addition to the intellectual property proceedings which were available at the outset of the original pilot project in October 2005. It is expected that the remainder of the Federal Court's jurisdictions will be added in the fall of 2008.

In September 2007, an e-filing pilot project involving the Canada Revenue Agency (CRA) was initiated whereby Income Tax and GST certificates from two of CRA's National Tax Services Offices (TSOs) were filed electronically. CRA has recently confirmed that it wishes to add more of its TSOs to this successful program in 2008-2009 and subsequent fiscal years.

A.4.2 *E-scanning:*

The e-scanning initiative originated to improve service delivery by facilitating duplication of documents between Ottawa, Toronto and Montreal and as a consequence providing important savings in duplication and transportation costs.

The initiative involves the reconfiguration of equipment, the acquisition of high speed printers, the implementation of appropriate file format structures, the establishment of filenames based an appropriate file naming convention and unique ID numbers for all documents. This initiative has required staff to identify and address a number of technical challenges that have allowed for improved duplication of documents between offices. It will also reduce the need for physical storage of files and increase staff productivity.

The most important benefit of this initiative, however, is that it is preparing registry staff for a time in the near future, when all court files will be kept electronically. It is anticipated that some parties will prefer to file paper copies of documents and therefore, scanning will always be necessary to complete the electronic files. As such, this initiative is allowing us to foresee and correct difficulties that would otherwise have arisen at that point in time. In 2008-2009 we will continue the expansion of e-scanning by acquiring additional equipment and by expanding the scope of our scanning activity.

A.4.3 *Digital recording in courtrooms*:

The Service is developing a strategy for full deployment of mobile and permanent digital recording equipment in its courtrooms. In 2007-2008 a "Request for Proposal" (RFP) was submitted to Public Works and Government Services (PWGSC) and the Service's staff has since been working diligently with PWGSC to complete the work on the RFP and ensure that the equipment is purchased as soon as possible. It is expected that the RFP process and the purchase of equipment will be completed in 2008-2009.

A.4.4 *Electronic distribution of judgments and orders:*

This pilot project allows for the distribution of judgments and orders in an electronic format. This creates a more efficient process for our distribution office when sending copies of decisions to its clients and allows for a more timely delivery of our decisions to various legal publications. The pilot project also allows the registry to issue e-mailed copies of decisions to counsel when it is practical to do so thus improving our client service and overall efficiency.

A.5 - Review and Re-engineering of Registry Services

During 2007-2008 a number of changes were brought to internal processes to improve service delivery. Efforts to train and cross-train staff to be able to better serve clients with respect to all four courts continued. Towards the end of the fiscal year the need to standardize registry processes in the different courts and across the country was identified as being an essential first step in developing, documenting and measuring our performance and in developing internal and external service standards. This work will continue during 2008-2009.

B - Program Activity Name: Provide Judicial Services

This service line provides judicial support to the Justices, including but not limited to judicial assistants, ushers and other staff who provide direct support to the Justices in the discharge of their responsibilities.

Financial Resources

(millions of dollars)

Planned Spending	Authorities	Actual Spending
21.9	22.4	22.6

Human Resources

Planned	Actual	Difference
231 FTEs	209 FTEs	22 FTEs

FTE – Full time equivalent

B.1 - Judicial Services

The mandate of the Judicial Services Branch is to assist the Chief Administrator in providing the judiciary with adequate support to ensure that it may properly execute its functions.

The Judicial Services Branch consists of several Divisions such as the Offices of the four Chief Justices, the Law Clerks Program, the Judicial Assistants Division, the Assessment Division (until January 2008), the Library Services Division and the Revision Services Division.

B.1.1 *Offices of Chief Justices:*

The Offices of Chief Justices play a key role in supporting the Courts and their administration. Their many functions include providing administrative and executive assistance to the Chief Justices, assistance in the scheduling of court hearings, coordinating the Rules Committee meetings, strategic planning and implementation of special Court projects, meetings and events, as well as liaison with stakeholders such as the Bar, the media and the public.

B.1.2 *Clerkships:*

The Law Clerks Program gives an opportunity to upcoming and recent graduates of law schools in Canada to apply for positions as Law Clerks to Judges, Deputy Judges and Prothonotaries of the Courts. Over 50 Law Clerks are employed every year. Under the direction of the judiciary, Law Clerks prepare case summaries, research questions of law and prepare detailed memoranda on facts and legal issues.

B.1.3 ***Library Services:***

The Library Services Division provides the full range of special library services and makes available a collection of legal and other materials in electronic and paper formats to meet the immediate and long term work-related needs of the judiciary and the Service's staff. The services provided include a professional reference service, individual and group training and orientation sessions, an electronic integrated catalogue of all library holdings, an intranet site, and a media monitoring service. Services are provided using numerous online databases, inter-library loans and partnerships, and the library collections, comprised of over 6,000 books and 1,000 journal titles in Ottawa and in local offices. The Library technical services section orders new books and periodicals, and processes and organizes over 300 new issues a week.

B.1.4 ***Reviser Services:***

Finally, the Reviser Services Division is made up of a team of four jurilinguists, who apply their linguistic skills and legal knowledge to the editing and revision of a variety of legal and administrative documents, including, most notably, draft judicial decisions and translations of judicial decisions. They provide as well linguistic and terminological advice and related services to judges and the Service. An administrative assistant ensures proper functioning of the office, maintains the statistics and coordinates the revisers' activities.

B.2 - Implementation of Outreach Activities

B.2.1 ***Offices of Chief Justices:***

Several Bench & Bar meetings were held during the past year between members of the Tax Bar, Aboriginal Bar, Immigration & Refugee Bar and the Intellectual Property Bar, and judges of the Federal Court of Appeal, the Federal Court and the Tax Court of Canada. The Chief Justices' Executive Legal Officers were involved in the planning of these meetings aimed at improving and better understanding the needs of the legal profession and obtaining their input in eventual amendments to the Rules of Practice of the Courts.

Furthermore, the four Courts held several Open Houses in Montréal and Toronto to introduce the members of the Court and staff to the local legal community thus increasing their visibility and fostering a better understanding of the respective jurisdictions of the Courts. Finally, an enhancement of e-mail media Bulletin service improved the distribution of Court decisions.

B.2.2 ***Clerkships:***

From the Law Clerks Program perspective, the Service has set out to increase its visibility and outreach potential by putting together brochures to be distributed each Fall at law schools. By outlining the benefits of a judicial clerkship at the Courts in these brochures it is the Service's goal to generate interest among law students in obtaining a clerkship as an alternative to articling with a law firm. The Service extends its recruitment campaign to all 21 law schools in the Fall in the hope of attracting the best law students from various parts of the country. The clerkship program had over 200 applications in 2007-2008.

Each Fall arrangements are made with the law schools to have judges from the Courts visit the law schools. The itinerant nature of the Courts facilitates visits, at little or no cost to the public. Annual year-end surveys conducted among law clerks who have accepted to come to Ottawa for one year indicate that the presence of a judge at the law school to promote the clerkship program has been one of the deciding factors in their decision to come to Ottawa.

B.2.3 ***Library Services:***

In the past year, staff have assisted in briefing new judges, moved to a new version of its integrated library management system software, re-trained the judiciary and the Service' staff on the new QuickLaw databases, staffed several vacant positions, renovated part of its facilities, continued to support the Law Clerks Program, and integrated and downsized its storage facilities. The next year will see a change in the client base as the Registry staff in Ottawa move into the same building as the Main Library, and a change in the repertoire of online databases as it is expected to expand. Consequently the amount of training, orientation and online searches is expected to grow significantly.

B.3 - Review of Judicial Services

As a result of on-going reviews, the provision of library services to the Service's Halifax Local Office by the Nova Scotia Department of Justice Library was renewed. In addition, the distribution service of Tax Court of Canada judgments from the Tax Library was integrated with the distribution service of judgments from the Federal Court of Appeal and the Federal Court. Future reviews may result in further changes and improvements in the distribution of judgments to the private sector.

The Assessment Section was created in April 2007 and originally fell within the Judicial Services Branch. This new section is responsible for assessing or taxing costs awarded to litigants by the Federal Court of Appeal, Federal Court, Court Martial Appeal Court of Canada and Tax Court of Canada. Assessment Officers are quasi-judicial officers, who review submissions made by counsel or litigants on questions of costs, conduct hearings when necessary and render decisions. In January 2008 the Assessment section was transferred to registry services.

SECTION III: SUPPLEMENTARY INFORMATION

Departmental Link to Government of Canada Outcome Areas

Strategic Outcome:

The public has effective, timely and fair access, in either official language, to the litigation processes of the Federal Court of Appeal, the federal Court, the Court Martial Appeal Court of Canada and the Tax Court of Canada.

($ millions)	Actual Spending 2007-2008			Alignment to Government of Canada Outcome Area
	Budgetary	Non-budgetary	Total	
Provide Registry Services	38.0	0	38.0	Government affairs
Provide Judicial Services	22.6	0	22.6	Government affairs

The Service supports the Judicial Branch of the Government of Canada. As such, its contributions affect several of the broad outcome areas including economic affairs, social affairs, international affairs, and government affairs.

The Courts Administration Service ensures that the public has effective, timely and fair access to the litigation processes of the Federal Court of Appeal, the Court Martial Appeal Court of Canada, and the Tax Court of Canada.

Table 1: Comparison of Planned to Actual Spending (including FTEs)

($ millions)	2005–2006 Actual[1]	2006–2007 Actual[2]	2007–2008			
			Main Estimates[3]	Planned Spending[3]	Total Authorities[4]	Actuals[4]
Provide Registry Services	38.4	42.5	37.2	39.7	41.4	38.0
Provide Judicial Services	21.2	24.1	20.6	21.9	22.4	22.6
Total	**59.6**	**66.6**	**57.7**	**61.6**	**63.8**	**60.6**
Less: Non-respendable revenue	(5.0)	(4.5)	N/A	(4.8)	N/A	(8.1)
Plus: Cost of services received without charge	19.6	23.8	N/A	23.6	N/A	24.3
Total Departmental Spending	**74.2**	**85.9**	**57.7**	**80.4**	**63.8**	**76.9**
Full-time Equivalents[5]	**567**	**606**	**N/A**	**650**	**N/A**	**594**

Notes:

(1) Source 2005-2006 DPR.

(2) Source 2006-2007 DPR.

(3) Source 2007-2008 RPP.

(4) Source 2007-2008 Public Accounts. Total includes contributions to employee benefits plans. Reference should be made to the discussion under "Table 2, Voted and Statutory Items" for further information.

(5) The Courts Administration Service (CAS) continues to experience delays in staffing. CAS has experienced a higher level of turnover than in the past and expects the retention level to stabilize through 2008-2009.

(6) Numbers in columns may not add up due to rounding.

Table 2: Voted and Statutory Items

($ millions)

Vote or Statutory Item	Truncated Vote or Statutory Wording	2007–2008			
		Main Estimates	Planned Spending	Total Authorities	Actual
Vote 30	Operating expenditures	51.3	54.7	57.7	54.6
(S)	Contributions to employee benefit plans	6.5	6.9	6.0	6.0
	Total	**57.7**	**61.6**	**63.8**	**60.6**

Notes:

(1) The variance between the Total Authorities ($63.8M) and Actual ($60.6M) is $3.2M. This lapse comes mainly due to delays in staffing as well as the fact that the activities related to implementation of the *Public Service Modernization Act* have proceeded more slowly than anticipated in 2007-08.

(2) The $6.1M variance between the Main Estimates and Total Authorities are due to:

Internal Audit – TB Vote 10	0.1
Collective bargaining agreements – TB Vote 15	0.2
Operating Budget Carry forward – TB Vote 22	1.7
Paylist Shortfalls – TB Vote 23	1.3
Salary funding for prothonotaries, deputy judges fees and other items	2.7
Human Resources Modernization	0.6
Employee Benefit Plan adjustment	(0.4)
Total variance increase	**6.1 M**

(3) Numbers in columns may not add up due to rounding.

Table 3: Sources of Respendable and Non-Respendable Revenue

For supplementary information on the department's sources of respendable and non-respendable revenue please visit: http://www.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp.

Table 4: Details on Project Spending

Supplementary information on Project Spending can be found at: http://publiservice.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp

Table 5: Response to Parliamentary Committees and External Audits

For supplementary information on the department's response to Parliamentary Committees and External Audits please visit: http://www.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp.

Table 6: Internal Audits and Evaluations

For supplementary information on the department's Internal Audits and Evaluations, please visit: http://www.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp.

Table 7: Travel Policies

For supplementary information on the department's travel policies, please visit: http://www.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp.

Table 8: Financial Statement of Departments and Agencies (including Agents of parliament) and Revolving Funds Financial Statements

FEDERAL COURT OF APPEAL
COUR D'APPEL FÉDÉRALE

FEDERAL COURT
COUR FÉDÉRALE

TAX COURT OF CANADA
COUR CANADIENNE DE L'IMPÔT

COURT MARTIAL APPEAL COURT OF CANADA
COUR D'APPEL DE LA COUR MARTIALE DU CANADA

Courts Administration Service

Financial Statements

(Unaudited)

For the year ending March 31, 2008

Courts Administration Service
Statement of Management Responsibility

Responsibility for the integrity and objectivity of the accompanying financial statements for the year ended March 31, 2008 and all information contained in this report rests with departmental management. These financial statements have been prepared by management in accordance with accounting standards issued by the Treasury Board of Canada Secretariat which are consistent with Canadian generally accepted accounting principles for the public sector.

Management is responsible for the integrity and objectivity of the information in these financial statements. Some of the information in the financial statements is based on management's best estimates and judgment and gives due consideration to materiality. To fulfill its accounting and reporting responsibilities, management maintains a set of accounts that provides a centralized record of the department's financial transactions. Financial information submitted to the *Public Accounts of Canada* and included in the department's *Departmental Performance Report* is consistent with these financial statements.

Management maintains a system of financial management and internal control designed to provide reasonable assurance that financial information is reliable, that assets are safeguarded and that transactions are in accordance with the *Financial Administration Act*, are executed in accordance with prescribed regulations, within Parliamentary authorities, and are properly recorded to maintain accountability of Government funds. Management also seeks to ensure the objectivity and integrity of data in its financial statements by careful selection, training and development of qualified staff, by organizational arrangements that provide appropriate divisions of responsibility, and by communication programs aimed at ensuring that regulations, policies, standards and managerial authorities are understood throughout the department.

The financial statements of the department have not been audited.

Raymond P. Guenette
Chief Administrator

Paul Whitsitt for:
Gerry R. Montpetit
Deputy Chief Administrator, Corporate Services
Senior Financial Officer (SFO)

Date Signed: Aug. 18, 2008

Ottawa, Ontario

Courts Administration Service
Statement of Operations (Unaudited)
For the Year Ended March 31
(in thousands of dollars)

	2008			2007
	Provide Registry Services	Provide Judicial Services	Total	Total
EXPENSES				
Salaries & Employee Benefits	$ 28,999	$ 16,615	$ 45,614	$ 46,691
Accommodations (Note 9)	13,989	7,579	21,568	20,665
Professional & Special Services	6,988	2,962	9,950	10,579
Transportation & Telecommunications	2,130	1,161	3,291	3,928
Materials & Supplies	412	1,841	2,253	2,178
Purchase of Machinery & Equipment	376	184	560	2,049
Repairs & Maintenance	354	203	557	3,437
Rentals	314	168	482	531
Amortization	191	103	294	266
Information	139	115	254	369
Miscellaneous	87	49	136	873
Total Expenses	$ 53,979	$ 30,980	$ 84,959	$ 91,566
REVENUES				
Fines	$ 3,679	$ -	$ 3,679	$ 4
Employment Insurance Account Cost Recoveries (Note 2(d))	2,599	-	2,599	2,762
Filing Fees	1,423	-	1,423	1,496
Photocopies	216	27	243	227
Miscellaneous Revenues	15	2	17	1
Total Revenues	$ 7,932	$ 29	$ 7,961	$ 4,490
NET COST OF OPERATIONS	$ 46,047	$ 30,951	$ 76,998	$ 87,076

The accompanying notes form an integral part of these financial statements.

Courts Administration Service
Statement of Financial Position (Unaudited)
At March 31
(in thousands of dollars)

	2008	2007
ASSETS		
Financial Assets		
Accounts Receivable & Employee Advances (Note 4)	$ 4,203	$ 3,802
Non-Financial Assets		
Tangible Capital Assets (Note 5)	1,124	1,075
Prepaid Expenses	2	2
TOTAL	**$ 5,329**	**$ 4,879**
LIABILITIES		
Accounts Payable & Accrued Liabilities (Note 6)	$ 4,415	$ 4,132
Vacation Pay & Compensatory Leave	1,723	1,780
Deposit Accounts (Note 7)	4,701	13,960
Employee Severance Benefits (Note 8)	7,408	7,237
EQUITY OF CANADA	(12,918)	(22,230)
TOTAL	**$ 5,329**	**$ 4,879**

The accompanying notes form an integral part of these financial statements.

Courts Administration Service
Statement of Equity of Canada (Unaudited)
At March 31
(in thousands of dollars)

	2008	2007
Equity of Canada, Beginning of Year	**$ (22,230)**	**$ (17,430)**
Net Cost of Operations	(76,998)	(87,076)
Current Year Appropriations Used (Note 3)	60,639	66,621
Revenue not Available for Spending	(7,958)	(4,490)
Gain on Disposal of Tangible Capital Assets	(4)	(2)
Change in Net Position in the Consolidated Revenue Fund (Note 3(c))	9,289	(3,729)
Services Provided Without Charge By Other Government Departments (Note 9)	24,344	23,876
Equity of Canada, End of Year	**$ (12,918)**	**$ (22,230)**

The accompanying notes form an integral part of these financial statements.

Courts Administration Service
Statement of Cash Flows (Unaudited)
For the Year Ended March 31
(in thousands of dollars)

	2008	2007
OPERATING ACTIVITIES		
Net Cost of Operations	$ 76,998	$ 87,076
Non-Cash Items:		
Amortization of Tangible Capital Assets	(294)	(266)
Gain on Disposal of Tangible Capital Assets	4	2
Loss on Disposal of Tangible Capital Assets	(2)	0
Services Provided Without Charge	(24,344)	(23,876)
Variations in Statement of Financial Position:		
Increase/(Decrease) in Accounts Receivable & Employee Advances	401	(39)
Decrease in Prepaid Expenses	0	(9)
(Increase)/Decrease in Accounts Payable & Accrued Liabilities	(283)	1,040
(Increase)/Decrease in Vacation Pay & Compensatory Leave	57	(198)
(Increase)/Decrease in Deposit Accounts	9,259	(4,777)
Increase in Employee Severance Benefits	(171)	(725)
Cash Used for Operating Activities	**$ 61,625**	**$ 58,228**
CAPITAL INVESTMENT ACTIVITIES		
Acquisitions of Tangible Capital Assets	358	$ 174
Proceeds From Disposal of Capital Assets	(17)	(2)
Cash Used by Capital Investment Activities	**$ 341**	**$ 172**
Net cash provided by the Government of Canada	($ 61,966)	($ 58,400)

The accompanying notes form an integral part of these financial statements.

1. Authority and Objectives

The Courts Administration Service (CAS), which was established on July 2, 2003 by the Courts Administration Service Act, S.C. 2002, c.8, is responsible for providing services to the Federal Court of Appeal, the Federal Court, the Court Martial Appeal Court of Canada and the Tax Court of Canada ("the Courts").

The role of the Courts Administration Service is to provide administrative services by ensuring that the public has effective, timely and fair access, in either official language, to the litigation processes of the Courts.

The Courts Administration Service has two service lines: to provide Registry services and to provide Judicial Services.

Registry Services provide administrative support to the Courts while ensuring the proper and efficient operations of the litigation process in a manner that provides the public with guidance and advice on the Courts' practices and procedures.

Judicial Services provide judicial, legal and administrative support to the Courts, which include but are not limited to judicial assistants, ushers, judicial administrators, law clerks and revisers who provide direct support to the Justices in the discharge of their responsibilities.

2. Summary of Significant Accounting Policies

The financial statements have been prepared in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector.

Significant accounting polices are as follows:

(a) **Parliamentary appropriations** – the Courts Administration Service is solely financed by the Government of Canada through Parliamentary appropriations. Appropriations provided to the Courts Administration Service do not parallel financial reporting according to Canadian generally accepted accounting principles since appropriations are primarily based on cash flow requirements. Consequently, items recognized in the statement of operations and the statement of financial position are not necessarily the same as those provided through appropriations from Parliament. Note 3 provides a high-level reconciliation between the bases of reporting.

(b) **Net Cash Provided by Government** – the Courts Administration Service operates within the Consolidated Revenue Fund (CRF), which is administered by the Receiver General for Canada. All cash received by the department is deposited to the CRF and all cash disbursements made by the department are paid from the CRF. The net cash provided by Government is the difference between all cash receipts and all cash disbursements including transactions between departments of the federal government.

(c) **Changes in net position in the Consolidated Revenue Fund** is the difference between the net cash provided by Government and appropriations used in a year, excluding the amount of non-respendable revenue recorded by the department. It results from timing differences between when a transaction affects appropriations and when it is processed through the CRF.

(d) **Revenues:**

- Revenues consist primarily of filing fees, fines and sales of copies of filed documentation, including copies of judgements and/or orders. All such revenue is non-respendable, meaning it cannot be spent by the Courts Administration Service and is deposited to the CRF.

- All revenues are accounted for in the period in which the underlying transaction or event occurred that gave rise to the revenues.

- **Employment Insurance (EI) Account of Canada:** At the end of each fiscal year, CAS determines the cost associated with the administration of Employment Insurance cases. The total cost allocated by CAS for handling EI cases are expended against Human Resources and Skills Development Canada (HRSDC), the department responsible for the EI account. As such, HRSDC would show an EI expense and the Courts Administration Service would show an equivalent, non-respendable revenue item. The purpose of this accounting exercise is to more accurately reflect the total cost of running the federal government's EI program and it is strictly internal to the government.

(e) **Expenses** – Expenses are recorded on the accrual basis:

- Vacation pay and compensatory leave are expensed as the benefits accrue to employees under their respective terms of employment.

- Services provided without charge by other government departments for accommodation, the employer's contribution to the health and dental insurance plans and legal services are recorded as operating expenses at their estimated cost.

(f) Employee future benefits

(i) **Pension benefits:** Eligible employees participate in the Public Service Pension Plan (*Pubic Service Superannuation Act)*, a multi-employer plan administered by the Government of Canada. The Courts Administration Service's contributions to the Plan are charged to expenses in the year incurred and represent the total departmental obligation to the Plan. Current legislation does not require the Courts Administration Service to make contributions for any actuarial deficiencies of the Plan.

(ii) **Severance benefits:** Employees are entitled to severance benefits under labour contracts or conditions of employment. These benefits are accrued as employees render the services necessary to earn them. The obligation relating to the benefits earned by employees is calculated using information derived from the results of the actuarially determined liability for employee severance benefits for the Government as a whole.

(g) Accounts Receivable – these are stated at amounts expected to be ultimately realized. A provision is made for receivables where recovery is considered uncertain.

(h) Contingent Liabilities – Contingent liabilities are potential liabilities which may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur or fail to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded. If the likelihood is not determinable or an amount cannot be reasonably estimated, the contingency is disclosed in the notes to the financial statements.

The Courts Administration Service is not aware of any contingent liabilities as at March 31, 008.

(i) Foreign currency transactions – Transactions involving foreign currencies are translated into Canadian dollar equivalents using rates of exchange in effect at the time of those transactions. Monetary assets and liabilities denominated in a foreign currency are translated using exchange rates in effect on March 31st.

(j) **Tangible Capital assets** – All tangible capital assets having an initial cost of $5,000 or more are recorded at their acquisition cost.

Amortization of tangible capital assets is done on a straight-line basis over the estimated useful life of the assets as follows:

Asset Class	Amortization period
Machinery & Equipment	10 years
Informatics Hardware	3 years
Informatics Software	4 years
Furniture & Fixtures	10 years
Motor Vehicles	10 years

(k) **Measurement uncertainty** – The preparation of these financial statements in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses reported in the financial statements. At the time of preparation of these statements, management believes the estimates and assumptions to be reasonable. The most significant items where estimates are used are contingent liabilities, the liability for employee severance benefits and the useful life of tangible capital assets. Actual results could significantly differ from those estimated. Management's estimates are reviewed periodically and, as adjustments become necessary, they are recorded in the financial statements in the year they become known.

3. Parliamentary Appropriations

The Courts Administration Services receives most of its funding through annual Parliamentary appropriations. Items recognized in the statement of operations and the statement of financial position in one year may be funded through Parliamentary appropriations in prior, current or future years. Accordingly, the Courts Administration Service has different net results of operations for the year on a government funding basis than on an accruals accounting basis. The differences are reconciled in the following tables:

(a) Reconciliation of net cost of operations to current year appropriations used

	2008	2007
Net Cost of Operations	**$ 76,998**	**$ 87,076**
Adjustments for items affecting net cost of operations but not affecting appropriations:		
Variations: Add / (Less)		
Services Provided Without Charge By Other Government Departments	(24,344)	(23,876)
Amortization of Tangible Capital Assets	(294)	(266)
(Increase)/Decrease in Allowance for Vacation Pay and Compensatory Leave	57	(198)
Increase in Employee Severance Benefits Expense	(171)	(725)
Loss on Disposal of Tangible Capital Assets	(2)	-
Other	-	(119)
Revenues Not Available For Spending	7,958	4,490
Gain on Disposal of Tangible Assets	4	2
Refunds of Previous Year Expenditures	43	22
Adjustments of Previous Year's PAYE	32	45
Adjustments for items not affecting net cost of operations but affecting appropriations:		
Variations: Add / (Less)		
Decrease in Prepaid Expenses	-	(4)
Acquisition of Tangible Capital Assets	358	174
Current Year Appropriations Used	**$ 60,639**	**$ 66,621**

(b) Appropriations Provided and Used

	2008	2007
Vote 30 – Operating expenditures	$ 57,723	$ 60,977
Statutory amounts	6,052	6,071
Less:		
Appropriations available for future years	(15)	(1)
Lapsed appropriations: Operating	(3,121)	(426)
Current year appropriations used	**$ 60,639**	**$ 66,621**

(c) Reconciliation of net cash provided by Government to current year appropriations used

	2008	2007
Net Cash provided by Government	$ 61,966	$ 58,400
Revenues not available for spending	7,958	4,490
Gain on disposal of tangible capital assets	4	2
Change in net position in the Consolidated Revenue Fund:		
(Increase)/Decrease in Accounts Receivable & Employee Advances	(401)	39
Decrease in Prepaid Expenses	-	9
Increase/(Decrease) in Accounts Payable & Accrued Liabilities	283	(1,040)
Increase/(Decrease) in Deposit Accounts	(9,259)	4,777
Other Adjustments	88	(56)
Sub-Total: Change in net position in the Consolidated Revenue Fund	(9,289)	3,729
Current Year Appropriations Used:	**$ 60,639**	**$ 66,621**

4. Accounts Receivable and Employee Advances

The following table presents details of accounts receivable and employee advances:

	2008	2007
Receivables from Other Government	$ 4,089	$ 3,731
Receivables from External Parties	106	62
Employee Advances	9	10
Less: Allowance for Doubtful Accounts on External Receivables	(1)	(1)
Total	**$ 4,203**	**$ 3,802**

5. Tangible Capital Assets

	Cost			
	March 31, 2007	Acquisitions	Disposals	March 31, 2008
Machinery & Equipment	$ 666	$ 8	$ -	$ 674
Informatics Hardware	1,561	325	-	1,886
Informatics Software	6	-	-	6
Furniture & Fixtures	776	-	-	776
Motor Vehicles	498	25	(27)	496
Total	**$ 3,507**	**$ 358**	**$ (27)**	**$ 3,838**

	Accumulated Amortization			
	March 31, 2007	Amortization	Disposals	March 31, 2008
Machinery & Equipment	$ (447)	$ (53)	$ -	$ (500)
Informatics Hardware	(1,265)	(141)	-	(1,406)
Informatics Software	(6)	-	-	(6)
Furniture & Fixtures	(489)	(55)	-	(544)
Motor Vehicles	(227)	(45)	14	(258)
Total	**$ (2,434)**	**$ (294)**	**$ 14**	**$ (2,714)**

	Net Book Value
	March 31, 2008
Machinery & Equipment	$ 174
Informatics Hardware	480
Informatics Software	-
Furniture & Fixtures	232
Motor Vehicles	238
Total	**$ 1,124**

Amortization expense for the year ended March 31, 2008 is $294 (2006-2007 was $266).

6. Accounts Payable & Accrued Liabilities

	2008	2007
Other Government Departments	$ 733	$ 1,128
External Parties:		
Employees	1,721	1,354
Others	1,961	1,650
Total Accounts Payable & Accrued Liabilities	**$ 4,415**	**$ 4,132**

7. Deposit Accounts

The Courts Administration Service maintains two deposit accounts on behalf of litigants before the Court. Pursuant to an order of the Court, the deposit accounts will record moneys paid into the Federal Court of Appeal, Federal Court and Tax Court of Canada. These amounts are held as payments and eventually released, pending judgment of the Courts. The underlying differences of these two accounts are the calculation of interest as described below.

Calculation of Interest:

Deposit Account for the Federal Court of Appeal & Federal Court: Pursuant to the Order in Council P.C. 1970-4/2, the account earns interest semi-annually at a rate that is equal to nine-tenths of the monthly average of tender rates or three-month Treasury bills and is calculated on the minimum monthly balance.

Deposit Account for the Tax Court of Canada: Pursuant to the Order in Council P.C. 1970-300, the account earns interest semi-annually at a rate that is equal to ninety percent of the average of the weekly three-month Treasury bills and is calculated on a daily basis.

	2008	2007
Balance, beginning of the year	$ 13,960	$ 9,183
Receipts and other credits	1,843	7,393
Disbursements and other charges	(11,102)	(2,616)
Balance, end of the year	**$ 4,701**	**$ 13,960**

8. Employee Benefits

(a) **Pension benefits:** The Courts Administration Service's employees participate in the Public Service Pension Plan, which is sponsored and administered by the Government of Canada. Pension benefits accrue up to a maximum period of 35 years at a rate of 2 percent per year of pensionable service, times the average of the best five consecutive years of earnings. The benefits are integrated with Canada/Quebec Pension Plans benefits and they are indexed to inflation.

Both the employees and the Courts Administration Service contribute to the cost of the Plan. The 2007-2008 expense amounts to $4,399 which represents approximately 2.1 times the contributions by employees ($4,466 in 2006-2007 at a rate of 2.2 times).

The Courts Administration Service's responsibility with regard to the Plan is limited to its contributions. Actuarial surpluses or deficiencies are recognized in the financial statements of the Government of Canada, as the Plan's sponsor.

(b) **Severance benefits:** The Courts Administration Service provides severance benefits to its employees based on eligibility, years of service and final salary. These severance benefits are not pre-funded. Benefits will be paid from future appropriations. Information about the severance benefits, measured as at March 31, is as follows:

	2008	2007
Accrued benefit obligation, beginning of year	$ 7,237	$ 6,511
Expense for the year	1,073	1,459
Benefits paid during the year	(902)	(733)
Accrued benefit obligation, end of year	**$ 7,408**	**$ 7,237**

9. Related party transactions

The Courts Administration Service is related as a result of common ownership to all Government of Canada departments, agencies and Crown Corporations. The Courts Administration Service enters into transactions with these entities in the normal course of business and on normal trade terms. Also, during the year, the Courts Administration Service received services which were obtained without charge from other Government departments as presented in part (a).

(a) **Services Provided Without Charge –** During the year the Courts Administration Service department received, without charge from other departments, accommodations, legal fees, workmen's compensation and the employer's contribution to the health and dental insurance plan. These services provided without charge have been recognized in the Courts Administration Service's Statement of Operations as follows:

	2008	2007
Accommodation provided by Public Works and Government Services Canada	$ 21,568	$ 20,665
Contributions covering employer's share of employees' insurance premiums and expenditures paid by Treasury Board Secretariat	2,696	3,006
Worker's compensation coverage provided by Human Resources Canada and Social Development Canada	50	49
Salary and associated expenditures of legal services provided by the Department of Justice Canada	30	156
Total Services Provided Without Charge	**$ 24,344**	**$ 23,876**

The Government has structured some of its administrative activities for efficiency and cost-effectiveness purposes so that one department performs these on behalf of all without charge. The cost of these services, which include payroll and cheque issuance services provided by Public Works and Government Services Canada, are not included as an expense in the Courts Administration Service's Statement of Operations.

(b) **Internal Transactions** - The Courts Administration Service has made internal transactions of $2,910 to other government departments in the year ending March 31, 2008 and $3,075 in the year ending March 31, 2007. Of this amount, the Employment Insurance account Cost Recoveries account for $2,599 in 2007-2008 and $2,762 in 2006-2007 (Note 2(d)).

SECTION IV: OTHER ITEMS OF INTEREST

Program Activity - Corporate Services

Corporate Services provides services such as finance, human resources, information management / information technology, telecommunications, facilities, translation, strategic planning, communications, internal audit, general administration and security to the Courts and to the Service itself.

Significant Financial Issues in 2007-2008

The Service continues to work with its partners in attempting to secure funding for 2008-2009 and ongoing years for expenses related to Prothonotaries' salaries and travel as well as Deputy Judges' fees and travel. Funding for additional registry and judicial support for both prothonotaries and Deputy Judges are also required. It should also be noted that a Special Advisor on Prothonotaries' Compensation was appointed in 2007 to look at a broad range of issues related to Prothonotaries. A government response is expected in 2008-2009 and this may have an impact in resolving a portion of the ongoing funding problem identified above.

The Service was also expected to continue to save $0.29M in 2007-2008 (the same amount identified for 2006-2007) through procurement savings instituted by Public Works and Government Services. The cuts attributed do not necessarily represent the actual amount of savings that were generated by the Service.

Finally, the Service lapsed slightly more than 5% of its Main Estimates funding. It is apparent that two principal areas caused this carryforward. The first was related to significant delays in staffing positions and retaining employees (a problem also identified by the Clerk of the Privy Council as a Government-wide problem). The second difficulty was with contracting delays for various goods and services that were to be procured during the 2007-2008 fiscal year.

People Capacity

In fiscal year 2007-2008, the Service received approximately $900,000 in funds under the Public Service Modernization Act Special Investment Framework. Human Resources (HR) undertook a project (that will be completed by March 2009) that consists of six initiatives:

1. Developing an overarching human resources plan for the Service that will reflect the principles of the Public Service Employment Act, and be fully aligned with the Service's Report on Plans and Priorities;
2. Implementing a reporting and monitoring initiative to ensure that appointments and other staffing actions are adequately monitored to manage and mitigate risks;
3. Developing a communications strategy to ensure that employees and delegated managers fully understand the benefits of the Public Service Modernization Act and their respective roles and responsibilities;
4. Ensuring that all policies affected by the new legislation are reviewed and that policy development activities are adequately planned and resourced, as well as developing new procedures to support such policies;

5. Ensuring that managers to be sub-delegated understand the impacts of the new legislation and, through the provision of education and tools, are able to assume their responsibilities with respect to HR planning, staffing, and career development;
6. Developing a competency-based management framework to support the use of competencies in support of staffing and career development.

Mandatory training in staffing to grant staffing delegations to managers commenced in June 2008 and is to be completed in November 2008.

Also during 2007-2008, the Service classification unit created the following 'classification' policies which are tools for managers as well.

- Classification Monitoring Framework;
- Organizational and Classification Guidelines;
- Organization and Classification Policy;
- Presentation of Classification Action Requests;
- Reorganization Procedures.

Records Management

In March 2007 all original records for operational files were centralized into one location, the Service's new Pink Road location for storage of dormant and semi-dormant records.

The Service is currently preparing for the move of the Ottawa file room to the location where Federal Courts Registry staff will be relocated. This will facilitate document tracking and ensure faster and better information sharing throughout the organization.

With regard to operational files the Service has put in place a disposition process for duplicate copies of court records and judges material. This ensures that around 15% of records shipped to the Service's Pink Road facility are eliminated 6 months after the final decision. Also, in the past 6 months, the Service has cleaned up a backlog which enabled it to free up space for around 4800 boxes of material. It also installed vertical shelving to maximize the use of the space.

The Service is in the process of signing a Service Level Agreement with Library & Archives Canada relating to their storage of 2000 boxes of Exchequer Court records which are of national interest. This would also help the Service with storage space.

The Service is still investigating, for administrative records, the possibility of implementing a document management system which would promote using electronic format instead of paper for information sharing and act as a central repository for all of the Service's documents of corporate value.

Government On-line

Improvements were made to the Service's internet site by applying the new Treasury Board Common Look and Feel Standards 2.0 (CLF 2.0). The standards were developed to reflect modern practices on the web, improve navigation and format elements, and to align departments' internet with the government's approach to public communication.

Furthermore, by tying the CLF 2.0 standards and its own redesign elements together, the Service was able to:

- improve accessibility and readability;
- enhance user-friendliness by creating a wider page format, applying a consistent approach to navigational menus, and employing "skip navigation" links at the beginning of each page which provides enhanced accessibility for persons with disabilities; and
- apply the Service's new "branding", update its institutional navigational elements, and create new linkable images for each of the Courts to which the Service provides administrative services.

A phased approach for implementing the new standards was followed, with a two-year deadline ending December 31, 2008. The Service launched its new site on March 31st, 2008, nine months early. This effort ensured that it met the government's objective of providing a consistent and predictable presentation of government services and content.

Improved Strategic Management

During 2007-2008, the Performance Management Framework (PMF) was refined. This exercise involved reviewing the PAA which will be modified at the sub-activity level in the coming year. Service standards will be established during 2008-2009 and survey questionnaires prepared to allow for the collection and analysis of data.

The release of the Office of the Auditor General's findings in fall of 2007 guided the Service in improving its management practices. For example:

- The Service established a Contracts Review Committee to review contracts before they are signed to ensure that they comply with the Government Contracts Regulations, the Treasury Board Contracting Policy, and the Service's internal policies and procedures.

- The Service has accessed approximately $900,000 in funding from the Canada Public Service Agency' strategic investment framework for six initiatives under the *Public service Modernization Act*. A key initiative being funded is the development of a human resources plan across the organization. The Service is currently working with a consultant to develop an action plan to put in action. The provision of training and tools to senior management in order to ensure the sustainability of the process is a key component of the action plan.

- The Service's Human Resources Division reports on the quality of performance appraisals for executives to the Senior Management Committee. Training on drafting of performance appraisals has been provided to executives.

Security Services

The Service continues to maintain its commitment and efforts to improve the security of judges, prothonotaries, staff and members of the public using its facilities and to ensure the protection of assets and information.

The Service continues to develop its program aimed at heightening security awareness throughout the organization. Some of the activities this year include the delivery of security information sessions in most of the regional offices and the sessions will continue in headquarters in the coming year.

The Service maintains its Business Continuity Planning (BCP) Program to ensure the continued availability of essential services, programs and operations, in the event of interruptions caused by unforeseen events such as extended power failures and severe weather conditions. A Tabletop Exercise was conducted with senior management in May 2007 and plans have been updated to reflect the comments coming out of the exercise.

In addition, the Service continues to participate in the Continuity of Constitutional Government Steering Committee (CCGSC) by attending planning retreats and providing input to Public Safety Canada's overarching plan to ensure that the Courts' requirements are met.

Finally, the Service has put in place the procedures for Security in contracting to ensure that all contractors working for the Service who require access to protected or classified information or assets have the appropriate clearance.

Facilities Management

In order to consolidate the staff in the National Capital Region in fewer building, the Service worked with Public Work Government Services Canada (PWGSC). Replacement space to accommodate Registry Services was identified and offered to the Service. The planning and development phases were completed during the Spring 2008 and construction of the new space will be completed during the Fall 2008. Employees will be relocated thereafter. The new space will provide an ideal work environment for the employees as per the PWGSC space and fit-up standards. Environmental and physical issues that affected the employees in the Lorne Building will be a thing of the past. The project was developed in cooperation with a committee of employees to ensure the best results possible.

The Service did not reduce its accommodation portfolio during fiscal year 2007-2008. However, ongoing efforts to improve space utilization continue to be a priority. As leases expire, the Service's operational needs will be reviewed to determine if space can be reduced. The Service has also taken steps to review its space standards. This review should result in more efficient standards that will be applied in all future accommodation projects.

Offices of the Courts Administration Service

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Lorne Building **90 Elgin Street** **Ottawa, Ontario** K1A 0H9 **Registry of the Federal Court of Appeal and the Court Martial Appeal Court of Canada** Telephone: (613) 996-6795 Facsimile: (613) 952-7226 TDD: (613) 947-0407 **Registry of the Federal Court** Telephone: (613) 992-4238 (613) 995-9177 (Immigration) Facsimile: (613) 952-3653 TDD: (613) 995-4640	**Centennial Towers** **200 Kent Street** **Ottawa, Ontario** K1A 0H9 **Registry of the Tax Court of Canada** Telephone: (613) 992-0901 or 1-800-927-5499 Facsimile: (613) 957-9034 TDD: (613) 943-0946 Tax Court of Canada, courtroom and Judges' chambers
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FCA- Federal Court of Appeal
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TCC - Tax Court of Canada

ALBERTA — Calgary
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	TCC	(403) 292-5556
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NEW BRUNSWICK — Fredericton
Suite 100, 82 Westmorland Street E3B 3L3

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	FC	(506) 452-3016
	TCC	(506) 452-2424
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TDD:		(416) 954-4245
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	TCC	(780) 495-2513
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4th Floor, 363 Broadway Street R3C 3N9

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	FC	(902) 426-3282
	TCC	(902) 426-5372
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2 — Registry of the Tax Court of Canada (London)
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Registry of the Federal Court of Appeal, the Federal Court, the Court Martial Appeal Court of Canada and the Tax Court of Canada

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NORTHWEST TERRITORIES — Yellowknife
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